GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:3407
ANSWERED ON:05.08.2016
PPP Model
Rajoria Dr. Manoj

Will the Minister of PLANNING be pleased to state:

(a) the details of projects/programmes running under the Public Private Partnership (PPP) model in the country along with the projects under consideration of the Government, project and State/UT-wise;

(b) whether the Government has conducted any review to assess the impact of these projects/programmes being run under PPP, if so, the details and the outcome thereof; and

(c) the measures taken/being taken by the Government for effective implementation of PPP projects in the country?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINISTRY OF PLANNING AND
MINISTER OF STATE FOR MINISTRY OF URBAN DEVELOPMENT AND
MINISTRY OF HOUSING & URBAN POVERTY ALLEVIATION
(RAO INDERJIT SINGH)

(a) The information related to Public Private Partnership (PPP) projects, being implemented and under consideration of various Central Ministries/Departments, is being collected and will be laid on the Table of the House.

(b) The Government has not conducted any review to assess the impact of the PPP projects/ programmes. However, the key benefits of PPP projects in infrastructure are as follows:
(i) Encourage private investment in the infrastructure sector;
(ii) Reducing public direct spending;
(iii) Public budget could be used in other priority areas;
(iv) Introduce innovation and increased efficiency from the private sector;
(v) Development of local capital market;
(vi) Right sizing of public institutions; and
(vii) Better services to users and early delivery.

(c) For effective implementation of PPP projects, some of the important measures taken by the Government include streamlining and simplifying the appraisal and approval process of PPP projects, provision of funding support under the Viability Gap Funding (VGF) scheme and formulation of standard/model documents for bidding and award of PPP concessions. Further, pursuant to budget announcement 2014-15, a Committee was setup to revisit and revitalize PPP model of infrastructure headed by Dr. Vijay Kelkar. The Report of the Committee was submitted to Government in November 2015. The Report of the Committee (available in public domain on URL http://finmin.nic.in/reports/ReportRevisitingRevitalisingPPPModel.pdf.) include, inter-alia, steps to be taken by all stakeholders including public authorities, state and regulatory authorities, corporate sector, private developers, development contractors and financial institutions. While government has taken measures on its part, steps need to be taken by the other stakeholders.